

DISCLAIMER

This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, JANUARY 14, 2002

APPLICATION OF

KINDER MORGAN VIRGINIA, LLC

CASE NO. PUE-2001-00722

For authority to construct
and operate an electric generating
facility in Cumberland County

DISMISSAL ORDER

On December 27, 2001, Kinder Morgan Virginia, LLC ("Kinder Morgan" or "Company"), filed with the Clerk of the State Corporation Commission ("Commission") its application for a certificate of public convenience and necessity to construct and operate an electric generating facility pursuant to § 56-580 D of the Code of Virginia. In addition, the Company sought interim approval to make financial expenditures and to undertake preliminary construction work.

Under this application, Kinder Morgan proposed to construct a 560 megawatt natural gas-fired electrical generation plant ("facility") at a site in Cumberland County, Virginia, to commence operations by the third quarter of 2004. The facility was proposed to be constructed on a site of approximately 34 acres that is owned by Cumberland County ("County"), and is located adjacent to a now-closed County landfill.

Electricity produced by this generation facility was proposed to be transferred through an energy conversion services arrangement to a major power marketing company not affiliated with Kinder Morgan, or the power would have been sold on a wholesale basis. The Company also stated in its application that energy produced by this facility would not be sold by the Company to retail electric customers in the Commonwealth.

Finally, the application stated that construction of the proposed facility would enhance the competitive market for wholesale electricity in Virginia. Additionally, the application declared that the proposed facility would aid the delivery and reliability of electric power in the Commonwealth.

Pursuant to this Commission's Order for Notice and Hearing dated February 26, 2002, a procedural schedule for this proceeding was established; such schedule included a hearing date of July 9, 2002. At the subsequent request of the Company, and by order dated May 8, 2002, the Commission's hearing examiner assigned to this matter postponed the hearing date to December 17, 2002. Thereafter, and by ruling dated October 21, 2002, the hearing examiner continued the matter generally. The Company requested this continuance and suspension of the procedural schedule in a motion dated October 17, 2002.¹

¹ The hearing examiner's October 21, 2002, ruling noted that the Company had requested suspension of the procedural schedule because "the market for new energy generation facilities in Virginia and nationwide has failed to improve

Finally, on October 30, 2002, the Company filed a motion denominated, Motion to Withdraw Application. In support of its motion, the Company stated that it had decided not to proceed with construction of the generating facility that is the subject of this application. Thereafter, Howard P. Anderson, Jr., the hearing examiner assigned to this matter issued a report dated October 31, 2002, in which he (i) directed that the Company's Motion to Withdraw Application be granted, and (ii) recommended that the Commission enter an order dismissing this application from its docket of pending proceedings.

NOW THE COMMISSION, having considered the Motion is of the opinion and finds that Kinder Morgan Virginia LLC should be allowed to withdraw its application for the proposed facility. We will grant the Motion and dismiss this matter without prejudice.

Accordingly, IT IS ORDERED THAT:

(1) The Motion to Withdraw Application is hereby granted.

(2) This matter is hereby dismissed without prejudice from the Commission's docket of active proceedings, and the papers herein shall be placed in the Commission's file for ended causes.

and Kinder Morgan Virginia believes it is no longer prudent to continue with the procedural schedule established for this case."